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Universal Basic Income

## We are All Housewives: Universal Basic Income as Wages for Housework

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**ABSTRACT** This paper proposes to orient contemporary debates over universal basic income (UBI) to broader social theory in the Marxist and Marxist-feminist traditions. Drawing on theories of labor decommodification, market socialism, and social reproduction, as well as more public-facing debates over policy, the purpose of this analysis is to better clarify the stakes a burgeoning left politics might have in pursuing the demand for UBI. Following key justifications put forward by chief proponents of the Wages for Housework movement for pursuing seemingly impractical, impossible, and politically ambiguous demands, I argue that UBI is best treated as a political perspective with both reactionary and revolutionary undercurrents. Urging caution, not dismissal, I refute more conventional economic analysis leading to common refrains against UBI, and suggest possible ways to bend UBI toward more explicitly socialist aims.

Socialism seems to be making a comeback in American politics, although no one is quite sure what it means. There is perhaps no document more symptomatic of a general level of confusion surrounding the concept and history of socialism, though, than the recently published White House report, "The Opportunity Costs of Socialism." Within the first several pages, the authors give a lengthy explanation on how "spending someone else's money" (and even spending "your money" on someone else) causes inefficiencies,<sup>1</sup> and then proceed to "show" how inferior growth rates in the Soviet Union and lower cancer survival rates in the EU are both part of the same pernicious phenomenon. These bizarre parallels are accompanied by others, ranging from the implication that Vladimir Lenin and Elizabeth Warren share a similar set of political commitments, to the notion that Mao's Great Leap Forward and Bernie Sanders' Medicare-for-All come from the same bucket of socialist policy ideas. According to the US Council of Economic Advisors, socialism encompasses everything from Soviet agricultural policies to high taxes on pickup trucks in Finland and other Scandinavian countries.

Throughout the report is a repeated emphasis on a particular fetish of economists: gross domestic product (GDP). The authors, for example, predict that GDP would fall by 9 percent, or about \$7,000 GDP per capita, if Medicare-for-All were financed through higher taxes.<sup>2</sup> While GDP tends to be presented as the simplest proxy for the overall health of the economy, this usage tends to obfuscate what GDP measures and what can cause it to go up or down. Many policy analysts have taken to task the profound deficiencies in using GDP as indicator of a nation's well-being and prosperity. As Mijin Cha at Demos writes, GDP "cannot distinguish between a positive economic indicator, like increased spending due to more disposable income, and a negative economic indicator, like increased spending on credit cards due to loss of wages or declining real value of wages."<sup>3</sup> Rather, GDP measures "raw economic activity," without any judgement as to whether that activity is beneficial to society. In the case of Medicare-for-All, a decline in GDP per capita isn't just likely, but desirable, as it would largely reflect a decline in healthcare costs.

Our relationship to the economy today is mediated by a whole host of obfuscatory metrics, behind which lie specific class interests. While other development indices contain their own implicit set of normative claims, GDP has become uniquely aligned with the interests of the capitalist class. It includes a litany of “products” that likely many people would rather be rid off, such as the 6.5 percent of global GDP spent on subsidizing fossil fuels,<sup>4</sup> or the 3.1 percent of national GDP spent on defense.<sup>5</sup> It also excludes other products that probably should be included, but aren’t, like education and household labor. These are also economic activities in the sense that they produce and reproduce human labor power, but they’re excluded. The CEA’s report begins with the dire warning: “Replacing US policies with highly socialist policies, such as Venezuela’s, would reduce real GDP at least 40 percent in the long run, or about \$24,000 per year for the average person.”<sup>6</sup> It’s not immediately apparent that anything like this would happen, or that it would have much to say about the “average person’s” living standards if it did. Although GDP per capita tacks closely to income per capita, environmental degradation, income inequality, loss of leisure time, and other factors can reduce living standards even as per capita income remains steady or increases over time.

Looking to alternative measures of a society’s overall well-being and prosperity, such as the Human Development Index (HDI) or the Genuine Progress Indicator (GPI), is one clear step socialists can take toward evaluating more carefully which policies and programs align with working class interests by focusing attention to what actually matters: the transformation of the economy into one that focuses on human need, rather than exchange. One such potential program is a universal basic income (UBI), which has gained traction since the 2008 financial crisis. Its financing matters, but it’s the structure of that financing that’s likely to determine its usefulness to any socialist project, rather than raw cost.

Consequently, this paper attempts to orient contemporary debates over UBI to broader social theory in the Marxist and Marxist-feminist traditions, which perceive the economy as a continual process of transformation of nature and society by production. Capitalism, as a specific mode of production, acknowledges productive labor for the market as the sole form of legitimate work, while the work that goes into sustaining and replenishing the workforce is naturalized into nonexistence. In contrast, social reproduction theory (SRT) perceives the relation between labor dispensed to produce commodities and labor dispensed to produce people as part of the systemic totality of capitalism. The contradictory entanglement of these labors serve as the basis of SRT, which analyzes the ways in which the production of human labor power and the production of surplus value “inhere in an integral and non-reducible logic of social reproduction.”<sup>7</sup>

Whereas Marx revealed the centrality of class exploitation by leaving the cash nexus and entering the “hidden abode” of production, SRT focuses attention to social reproduction as a prerequisite to the labor force and therefore all capitalist production.<sup>8</sup> This shift in perspective can help clarify more precisely what wages obscure: indeed, the social relations between wage-labor and capital, but also the social relations between waged and unwaged workers. The relationship between these sets of social relations, as Sarah Ferguson argues, is both necessary and contradictory: necessary because capital requires human labor, which itself must be produced, and contradictory because human needs must be subordinated to the imperatives of accumulation. As a result, capitalists must “constrain and control the wages and social spending that pay for the renewal of the workforce.”

Drawing further on theories of labor decommodification and market socialism, as well as more public-facing debates over policy, the purpose of this analysis is to better clarify the stakes a burgeoning left politics might have in pursuing the demand for UBI. I argue that

UBI is best treated as a political perspective with both reactionary and revolutionary undercurrents. Urging caution, not dismissal, I suggest possible ways to bend UBI toward more explicitly socialist aims.

In the socialist perspective, UBI tends to serve as vehicle for highlighting the more radical dimensions of the welfare state, in particular its capacity to decommodify labor power. This position relies on an understanding of capitalism that emphasizes the subordination of all economic activity to a specific set of systemic imperatives that workers and capitalists alike must conform to in order survive: the imperatives of competition, accumulation, profit-maximization, and increased labor productivity.<sup>9</sup> These imperatives in turn form the basis of an impersonal system of exploitation that locks workers and capitalists into a relationship of mutual dependence and antagonism, mediated by the market: capitalists depend on the market to purchase both means of production and labor power, while workers must sell their labor power to capitalists via the market to gain access to the means of their own reproduction. Workers may choose between capitalists, but they must choose one. In this context, UBI runs parallel to other universal programs that reduce labor's dependence on the market. Simply put, if people can procure their basic necessities without having to exchange their labor power for wages, the power of capitalist bosses to dictate the terms of employment diminishes sharply. UBI accomplishes this shift in power dynamics by providing a regular source of income that doubles as a "unconditional and inexhaustible strike fund."<sup>10</sup>

The socialist argument in favor of UBI is grounded in a rich body of Marxist social theory that posits commodification as one of the central structuring problems of life under capitalism. In his comparative analysis of welfare systems across Europe and North America in *Three Worlds of Welfare Capitalism*, for instance, Gøsta Esping-Andersen attempted to measure a particular program's potential for labor decommodification, defined as the degree of market independence it afforded the average worker.<sup>11</sup> Although his resulting topology remains contested in the field of comparative social policy due to its reliance on ideal types that do not map seamlessly onto the complexities of actually existing welfare states, what concerns us here is the primary distinction he draws between the organizing principles of liberalism and social democracy in the realm of state-led social provision. Whereas the liberal welfare state, he argued, "[grants] the cash nexus a hegemonic role in the organization of social and economic life," the social democratic welfare state attempts to emancipate workers from market dependency by establishing "various schemes that permit employees to be paid while pursuing activities other than working."<sup>12</sup> Broadly speaking, UBI can be assimilated into either of these two models, shoring up market dependency, or alternatively, reducing it.

Historically, the aspirations of social democracy have had a fraught relationship to Marxism. However, Esping-Andersen's typology provides at least some indication of where UBI might sit in relation to the broader socialist project. For those who object to the compulsory nature of the capitalist labor market, UBI is appealing because it holds the promise of establishing the material basis needed to make freedom a lived reality. On the grounds that UBI would provide people with "real freedom" to choose how to spend their time, Philippe Van Parijs argues that establishing a UBI would constitute "a profound moral reform that belongs in the same league as the abolition of slavery or the introduction of universal suffrage."<sup>13</sup> More optimistically, Van Parijs contends that with this freedom, UBI might serve as the basis for eliminating wage-labor entirely.<sup>14</sup> With workers no longer forced to take on "unrewarding, undesirable work" for low wages, capitalists would be compelled to pursue labor-saving technologies and organizational change much more aggressively. Meanwhile, wages for "intrinsically rewarding work" would trend downward—initially, as a result of the wage-subsidizing effects of UBI, but

also because the cost of living would gradually diminish as the “drudgery required per unit of product” declined. The distinction between the realm of necessity and the realm of freedom would, in other words, wither away.

On its surface, Van Parijs’ position seems to assume the level of basic income would be high enough to eliminate the need to work for wages. Otherwise, people would still be required to sell their labor power, and the emancipatory potential of UBI would seemingly disappear. It’s difficult to imagine, in other words, the widespread refusal of “undesirable work” if the UBI were not, as a fundamental precondition, set at the level of subsistence. And yet, Van Parijs states that a basic income need not necessarily be “sufficient to cover basic needs,” and makes few exceptions for other forms of social provision on the assumption that recipients would in almost all instances prefer cash.<sup>15</sup> Moreover, his belief that UBI offers a “capitalist road to communism” rests on the highly optimistic assumption that “drudgery” is necessarily amenable to automation or significant organizational restructuring, despite ample empirical evidence to the contrary. Highly feminized sites of care work, for example, have proven remarkably resistant to even the most apocalyptic narratives surrounding near-term advancements in automation technology. At present, care work, and low-wage care work in particular, is projected to be one of the largest sectors of job growth in the coming decades.<sup>16</sup>

The version of basic income we get will depend on the political forces that shape it, and UBI is by no means strictly an argument from the left. As Adam Greenfield observes, UBI already constitutes a “market-friendly reframing” of what socialists used to call a social dividend.<sup>17</sup> Popularized by market socialists in the twentieth century, the social dividend became a key feature in models of market socialism characterized by publicly owned enterprises operating to maximize profit within a market economy.<sup>18</sup> Within this model, the social dividend would grant every citizen a share of the income generated by publicly owned assets and natural resources. This is essentially the model of the Alaska Permanent Fund (APF), which pays its residents a dividend out of income generated by a state-owned mutual fund. The model would in part transform the state. Indeed, Marx himself advocated something like a social wealth fund, suggesting in his manuscripts that “an equality of wages paid out by the communal capital” would constitute a “crude communist” first step towards ending alienated labor.<sup>19</sup>

The APF offers key insights into how a UBI might be realistically implemented and paid for, including at a much larger scale and amount. However, some of its most vocal and visible supporters elide these crucial details. “First, it’s funded by natural resources rather than raising taxes,” wrote Facebook cofounder and CEO Mark Zuckerberg in a widely circulated Facebook post.<sup>20</sup> “Second, it comes from conservative principles of smaller government, rather than progressive principles of a larger safety net,” he added. While not inaccurate, Zuckerberg’s depiction of the APF is an oversimplification on both points. Although supported by royalties and fees paid to the Alaska state government for the extraction and sale of natural resources, this revenue is not directly transferred to Alaskan residents. Rather, this revenue forms the principal of the APF, while the Permanent Fund Dividend (PFD) is indexed to a portion of returns on investments made by the state. The state, in other words, acts as a holder of interest-bearing capital.

Interest-bearing capital is usually associated with private individual investors, but the state of Alaska has partly taken over this function. Marx describes the owner of interest-bearing capital as a private individual who turns his capital over to a third party, “who throws it into circulation, turns it into a commodity as *capital*; not just capital for himself, but also for others.”<sup>21</sup> When a state takes over this function, capital accumulation continues, but a growing share of the surplus value accrues directly to the state and out of the hands of private capitalists. Complicating matters further, many Alaskan residents

“view the PFD as a distribution of income from assets owned by individual citizens rather than as an appropriation of government.”<sup>22</sup> Zuckerberg is therefore also correct to suggest the APF is based on neither liberal nor conservative principles, but this is in large part due to its peculiarity in the American context and the tendency of most sovereign funds to conform to their specific political and cultural context (both Norway and Saudi Arabia have one, for example). As socialist policy analyst Matt Bruenig explains, “what’s actually going on in Alaska is a kind of market socialism . . . It’s a way to socialize the ownership of capital resources without centrally planning anything or otherwise disrupting normal market operations.”<sup>23</sup> Predictably, Bruenig’s emphasis on the APF’s compatibility with market socialist principles has drawn the ire of more conservative writers, for whom capitalism is compulsively associated with “free markets,” and the idea of a Republican governor implementing anything resembling a socialist program is virtually unthinkable.<sup>24</sup> But this is effectively what happened in 1976, and the program has since become so thoroughly naturalized that Alaskan residents accept it as little more than a perfectly normal and self-evident fact of life.

Difficulties emerge, however, when comparing the projected cost of a more generous social dividend program at the national level to the revenue generated through energy royalties and related fees paid to the federal government, which only bring in around \$12b annually.<sup>25</sup> Granting a social wealth fund ownership of this revenue stream and virtually all others derived from physical assets—buildings, intercoastal waterways, infrastructure projects, and the electromagnetic spectrum—would generate a dividend worth only a few hundred dollars per year.<sup>26</sup> Hillary Clinton, after entertaining such a program during her 2016 presidential campaign, concluded the amount paid out would be too stingy. Since a more ambitious sum would require “new taxes or cannibalizing other important programs,” she abandoned it.<sup>27</sup> Admittedly, her assessment isn’t wrong. Only the left doesn’t object to the former, and the right is counting on the latter.

Bruenig proposes establishing a UBI in the specific form of a social dividend, but any close engagement with his work reveals that he is centrally preoccupied with the transformative potential of the fund that would finance it. In his recently published “Social Wealth Fund for America,” Bruenig proposes, in addition to ring-fencing existing federal assets, a sweeping array of new taxes on private wealth, raising taxes on gifts and inheritance, and eliminating existing tax breaks on private savings to drum up the initial amount. More importantly, though, Bruenig proposes permitting the fund to *vote its shares*, enabling its managers to exert vast influence over the conduct of private firms. While the prospect of letting a large state-owned fund vote its shares is sure to draw significant criticism from liberals and conservatives alike, its prospects raise crucial questions of governance for socialists. Bruenig endorses a model roughly similar to the APF, where the fund would operate largely independently, but under broad guidelines set by Congress and the US Treasury. Alternatively, Peter Gowan, a fellow with the Democracy Collaborative, proposes a model a more closely resembling the Swedish Meidner Plan, in which multiple social wealth funds, constructed along sectoral lines, are “managed by boards composed of many relevant groups tailored to each one.”<sup>28</sup> In either scenario, a portion of the dividends resulting from investments would be allocated to citizens, while the remainder would be reinvested, along with new tax revenue. Pursued with enough gusto, such a program could very rapidly expand state ownership of capital. Moreover, if institutional oversight took the form of workers councils or “many relevant groups,” the result would be very close to a functional dictatorship of the proletariat.

What emerges from any kind of sustained engagement with the political economy of UBI is not a shared vision of simply giving people money, but intractable differences of political perspective. Despite heavy promotion of UBI on the basis of its cross-ideological appeal,

fundamental disagreements begin to surface the moment it moves from normative demand to concrete social policy. Whereas Bruenig and Gowan share in a desire to prefigure the foundations for a rationally planned and democratically controlled economy, this is hardly what tech billionaires and libertarians have in mind. Rather, proponents on the market right clearly anticipate UBI as a pretext to do away with what remains of existing government programs and benefits, laying the groundwork for further privatization and advancement of capitalist class interests. While frequently obscured by a repeated, happy emphasis on spurring entrepreneurial creativity and innovation, support for UBI among Silicon Valley's cadre of venture capitalists is predicated on the assumption of shoring up market dependency, rather than reducing it. As Chris Hawkins, an investor who made his fortune creating software that automates office work, insists, "the cost has to come from somewhere," and for him, "the most logical place to take it from is government-provided services."<sup>29</sup> On this point, Elizabeth Rhodes, a researcher with Y Combinator—a startup planning to conduct a five-year UBI trial beginning in 2019—is also forthcoming: "The motivation behind the project is to begin exploring alternatives to the existing social safety net."<sup>30</sup>

One of the more extreme iterations of this version of UBI can be found Charles Murray's recent book, *In Our Hands*, which advocates replacing the entire welfare system in the United States with a tax rebate of \$13,000 per year to every American adult.<sup>31</sup> He is explicit in his plan for financing such a program: "[get] rid of Social Security, Medicare, Medicaid, food stamps, Supplemental Security Income, housing subsidies, welfare for single women and every other kind of welfare and social-services program, as well as agricultural subsidies and corporate welfare."<sup>32</sup> Acknowledging that this program would still be expensive, he argues that it would nonetheless reduce federal spending over time in light of projected increases in the cost of certain services, such as healthcare. In short, people would receive less government assistance than they do now.

While difficult to draw a straight line from Murray's endorsement of UBI to that of Hawkins or Rhodes, all share in a vision of UBI as an "alternative" to existing programs, rather than a supplement. Notoriously hostile to unions and labor regulations of all kinds, tech billionaire support for UBI would almost certainly vanish if the preferred method of financing it were something like compulsory contributions of voting shares from capitalist firms to collectively-owned funds overseen by some combination of workers councils, consumer protection boards, environmental groups, and the like. Likewise, social wealth fund advocates and post-work partisans would likely recoil from any plan predicated on dismantling all other forms of social welfare and replacing it with just enough cash to clear the poverty threshold. Far from indicating a potential site of rational compromise or even spirited debate, UBI exists firmly in the idiosyncratic space of the utopian demand. As Fredric Jameson observes, "what these utopian oppositions allow us to do is, by way of negation, to grasp the moment of truth of each term."<sup>33</sup>

Best known for his previous books, *The Bell Curve* and *Losing Ground*, Murray has had tremendous influence on American social policy. Bill Clinton's domestic policy agenda to "end welfare as we know it" was partly inspired by Murray's *Losing Ground*, which admonished the federal government for creating policies that fostered a "culture" of poverty and dependency. Despite deep and well-documented methodological flaws in Murray's analysis, the subsequent shift from welfare to "workfare" was principally achieved through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which ushered in new work requirements, caps on benefits, and the ability of states to exclude people with felony drug convictions.<sup>34</sup> Predictably, this reduced the number of welfare recipients, and for a time seemed to reduce poverty overall, but it did so at the expense of deepening some of the most extreme forms of economic deprivation.

The number of “disconnected mothers”—individuals who receive neither wages nor welfare—doubled between 1990 and 2005,<sup>35</sup> while the number of American households living on \$2 per person, per day, skyrocketed.<sup>36</sup>

In Murray’s view, wealth and social power naturally accrue to high-IQ individuals, while those on the lower end of the eponymous bell curve form an “underclass” whose poverty stems from their low intelligence. Criticisms of *The Bell Curve* have typically centered on its racist overtures, but as Barbera and Karen E. Fields point out, *The Bell Curve* is “far more centrally a class-and-IQ book.”<sup>37</sup> In its most basic formulation, Murray and Herrnstein’s central argument in *The Bell Curve* is this: labor markets no longer reward the less smart, and any intervention on the part of the state will only make the situation worse. This thesis is laid out even more explicitly in *Coming Apart*, where he claims the rich have grown richer because of “the increasing market value of brains.”<sup>38</sup> Only his focus has shifted in *Coming Apart* to the “white underclass,” which, as it turns out, is virtually indistinguishable from its black counterpart. Neither book has much to say about women in their capacity as workers, either.

In *Losing Ground*, the omission of labor force participation rates of black women in particular is especially glaring, as legal scholar Edward Mattison observes: “Murray chooses to focus only on the situation of a particular segment of the poor, namely black males between the ages of 16 and 24. He then uses the experience of this group to generalize about poverty as a phenomenon.”<sup>39</sup> Murray never bothers to consider how black households were systematically structured by the state’s two-tiered strategy for managing the reproduction of working class, the crisis brewing at the heart of that strategy, and its subsequent fallout. When black workers migrated to the North and West decades earlier, many lost extended family ties and kin support, making it harder to survive. Some black proletarians did find stable work in clerical settings, auto factories, and ship docks, but breadwinner wages and generous entitlements were out of reach for most. Instead, many black proletarians found themselves in low-skill, intermittent employment, and subject to a “confiscatory premium” that capital extracted from racialized labor.<sup>40</sup>

With the dynamic expansion of the world economy between the 1940s and 1970s a combination of high wage growth, relatively high costs of production, and relatively low profitability in US manufacturing gradually yielded fewer and fewer opportunities for profitable investment.<sup>41</sup> When manufacturing firms began restructuring under mounting global competition, black workers were hit first and hardest. As Laura Renata Martin writes, “black proletarians in urban industrial centers, were ‘super exploited’ or ‘hyperexploited’: made to function as the most flexible and expendable portion of the working class, the portion made to pay the price for the inevitable volatility of market forces, being hired and fired at will, having wages lowered at will, and productivity increased at will.”<sup>42</sup> Moreover, while the expanded welfare state redistributed large amounts of wealth to mostly white and male workers and their families, black families typically received much smaller and stigmatizing transfers through state programs. The combined pressures of un- or underemployment and circumscribed access to redistributive mechanisms broke up many black families, leaving many black proletarian women as sole caretakers and wage earners within their households.

Black proletarian women were increasingly compelled into the workforce, often for very low pay, and at the expense of household work, family care, and their own leisure time. Some landed in the growing service sector, including temp agencies and other “pink collar” employment, where they came into contact with white, middle class women looking to escape the confines of domestic servitude. Still others organized around rights to welfare. While based on the more restrictive Aid to Dependent Children (ADC) program enacted

in 1935 as part of FDR's New Deal reforms, the AFDC replaced in 1996 was the culmination of efforts of welfare activists to lift the decades-long exclusion of divorced women, single mothers, and women of color from receiving benefits.<sup>43</sup> Most of these gains were spearheaded in the 1960s by the National Welfare Rights Organization (NWRO).

When Marxist feminists coalesced around the seemingly improbable and impractical demand of Wages for Housework in the 1970s, it was first and foremost an attempt to forge very different kind of class consciousness, suitable to these new historical circumstances. In contrast to liberal feminist currents at the time, largely content with the project of gaining entry to the paid workforce on the same terms as men, the Wages for Housework movement sought to demystify the extent to which people were not only dependent on the market, but also instrumentalized to its ends. The International Wages for Housework Campaign (IWHC) demanded a substantially reduced work week, a guaranteed income for all, and free community-controlled childcare. In her essay, "Wages Against Housework," Silvia Federici argues that these demands have the power to transform society "because it forces capital to restructure society in terms more favorable to us and consequently more favorable to the unity of the class."<sup>44</sup>

It's often assumed that waged housework never came to pass, but it did in some small and important ways. In the late 1960s, the predominantly black women members of the NWRO showed up welfare offices demanding "special grants" for clothing, household items, and new furniture. If welfare officials refused, they would hold sit-ins and other protests until their demands were met. By overwhelming welfare offices with these requests, they hoped to put pressure on the welfare system and effect more fundamental change.<sup>45</sup> NWRO welfare activists also helped create WIC, and together with civil rights lawyers, successfully struck down the "man-in-the-house" rule, which allowed investigators to raid their homes to hunt for men to hold financially responsible for their families. Their efforts affirmed female-headed households, and the choice to stay home and care for their children. In defense of the work they performed in the home, NWRO activist Johnnie Tillmon wrote, "There are some ten million jobs that now pay less than the minimum wage, and if you're a woman, you've got the best chance of getting one."<sup>46</sup> She added, "the ladies of NWRO are the front-line troops of women's freedom. Both because we have so few illusions and because our issues are so important to all women—the right to a living wage for women's work, the right to life itself."

By the early 1970s, however, demands for special grants led to fewer material gains and membership began to decline. "Stagflation" started to set in, which meant for the first time in American history, wages and unemployment were rising simultaneously. All conventional economic theory, including Marx's, suggests this should have depressed worker power and organizing capacity. But the OPEC oil embargo set in motion a unique set of conditions, as did expanded welfare rights. In no uncertain terms, organized labor staged a massive offensive.<sup>47</sup> 40 percent of the workforce was involved in some strike action between 1967 and 1973, while the unemployment doubled in the same time frame. Ratio of quits to layoffs also increased to two to one, a trend partly enabled by reductions in welfare restrictions. The working class as a whole was starting to erode capital's ability to accumulate, forcing ever higher wages and in some cases, refusing work altogether.<sup>48</sup> Mexican American workers also made significant advances, winning important victory in 1975 when California required growers to collectively bargain with representatives from the United Farm Workers union. As Christian Parenti writes of the 1970s, "working-class power was being institutionalized within the state, and the state in turn was being transformed. But from the point of view of employers, welfare for strikers meant government-subsidized class war."<sup>49</sup>



However, if the 1970s looked like a united front, deep rifts persisted and were easily exploitable as production sped up and work became more flexible and contingent. Industry leaders in the “temp economy,” for example, had been chipping away the ideal of permanent, life-time employees since the 1950s—at first drawing white, middle-class women with the opportunity to earn “pin money” in their spare time, and later absorbing minority women as the demand for cheap labor that could be kept off the books increased with rising costs of production. As sociologist Erin Hatten writes, in the 1960s and 70s, temp agencies introduced “a revitalized and fully updated liability model of work,” casting permanent workers as drags on productivity.<sup>50</sup> Meanwhile, labor-saving computer technologies had been in the works for nearly as long, with Walter Reuther receiving a letter from Norbert Wiener in 1949 warning him that a leading industrial corporation wanted to build “an inexpensive small scale, high speed computing machine”—the effects of which could only be “disastrous” for employment.<sup>51</sup> By the time GM rebuilt its plant in Lordstown, Ohio, in 1969, it did so with 24 spot welding robots—a move preceded by layoffs and resulting in dramatic speed-up of production for those who remained.<sup>52</sup>

Referred to as a “cold bath” recession, the Vockner shock beginning in 1979 was devised to discipline the working class. Appointed to the head of the Federal Reserve by President Carter, Volcker told the *New York Times*: “The standard of living of the average American has to decline . . . I don’t think you can escape that.”<sup>53</sup> And decline it did. In an act of top-down market correction, Vockner boosted interest rates, cutting off borrowing and purchasing power. He hiked it again under Reagan, the country’s first MAGA president. A rapid series of tax cuts for the wealthy, deregulation, an empowered police presence, and the introduction of onerous new restrictions on AFDC eligibility followed, along with reductions in food stamps, Medicaid, and other programs. Invasive searches of people’s homes resumed, this time looking for hidden assets instead of men, while welfare offices had their workers go through “violent incident training” in preparation for the cuts. In 1981, over a half-million families were cut off from AFDC or had their benefits reduced, while 875,000 families were dropped from the food stamp program.<sup>54</sup>

Oddly enough, Murray now enough wants to see a UBI, and one that follows roughly the same logic as the AFDC. The AFDC provided cash assistance at a 100 percent phase-out rate, where each dollar earned meant one less dollar in benefits. Murray wants to increase the amount, provide it unconditionally to every American adult (children excluded), and decrease the phase-out to a 50 percent marginal rate. Given his plan for financing it, this would constitute, despite its seeming generosity, a wholesale abandonment of the American proletariat, which is increasingly female and predicted to be predominately people of color by 2032.<sup>55</sup> Some of the billionaires lining up behind similar schemes seem at least driven by some sense of *noblesse oblige*—or barring that, fear that the poor will start getting out their pitchforks, the flipside of the same underlying logic. Sam Altman, whose net worth is around sixty-five billion dollars and who has large stakes in AirBnB, Reddit, and Dropbox, professes a desire to repair the “fundamental breakdown of the American social contract.” His proposals, which include UBI, include many others that socialists may find appealing: higher taxes on non-owner occupied real estate and real estate used for speculation, public option health insurance, reallocation of a portion of defense spending to R&D for civilian purposes, and free college education in exchange for national service, among other ideas.<sup>56</sup>

Any Left politics organizing from below should be wary and deeply skeptical of billionaire investors offering new social compacts. The last Fordist compromise ushered in a deeply uneven distribution of prosperity, in large part because it left social property relations untouched. Throughout its history, the reproduction of capitalist social relations has relied on the distinction between labor that is productive of surplus value and labor that is

not to deliver unwaged women workers to the domestic economy, while also ensuring a more flexible wage labor force for capital. By demanding recognition and payment for this work, the Wages for Housework movement sought to unsettle basic assumptions about the relationship between social reproduction and the productive economy, and in doing so, reveal the true length of the working day.<sup>57</sup> A generic UBI could have a meaningful impact on people's lives, so long as other programs aren't cut to finance it. However, its benefits will be primarily limited to poverty reduction; a revolutionary program it is not.

In the 1970s, the Canadian government ran a five-year UBI experiment in the town of Dauphin, Manitoba, based on a program precisely of this sort. Designed to guarantee an income of \$19,500 for a four-person household, every dollar of labor market earnings reduced the guarantee by fifty cents.<sup>58</sup> This meant that payments phased out once household earnings reached around \$39,000. Over the course of the experiment, Dauphin experienced both rise in median income and a modest decline in labor force participation, principally among young and single-headed households.<sup>59</sup> While it may be tempting to interpret this as an unambiguous success, closer inspection of these outcomes indicate a few possible scenarios. A rise in median household income, if the result in a decrease in labor supply, might be evidence that some people, no longer dependent on the market for wages, voluntarily withdrew from the labor force to pursue other activities, thereby pushing up the wages of those who remained. But it could also mean that some people were pushed out of the labor market because they already disproportionately shouldered those forms of work *that aren't seen as work*.

Although this version of UBI tacitly proposes to compensate these various forms of unwaged labor, it also reinscribes their separation from the productive economy, further empowering capital to appropriate them as "free gifts."<sup>60</sup> This oversight persists across interpretations of the empirical evidence frequently given for UBI's efficacy, especially in providing workers with a "bargaining chip."<sup>61</sup> David Calnitsky, who has researched UBI and the Dauphin "Mincome" experiment extensively, cautions against assuming that UBI would automatically form a subsidy to employers. But he does not consider how social reproduction has formed a permanent subsidy to capital for the entirety of its history, and that its contributions may not readily appear in prevailing wage rates.

At its core, the debate about UBI isn't about policy, but the foundations of our society. And similar to the demand for waged housework, one of the obstacles to having a clear discussion of UBI is a tendency to reduce it to a sum of money, instead of viewing it as a political perspective. In industrialized countries, workplace organization, labor regulation, and welfare policy all developed based on the model of the male breadwinner. Wages are therefore not only the primary mechanism by which income is distributed, but also the basic means by which work is allocated. A Marxist-feminist lens is crucial, therefore, to locating the ways UBI could intensify and exacerbate existing forms of gender oppression by effacing the centrality of gender and sex-based divisions of labor to the allocation of work in capitalist economies. At present, many arguments in favor of UBI operate on the assumption that robots are on the brink of ushering in mass technological unemployment, but as Federici observes: "While production has been restructured through a technological leap in key areas of the world economy, no technological leap has occurred in the sphere of domestic work significantly reducing the labour socially necessary for the reproduction of the workforce."<sup>62</sup> Rather, this work has been partially externalized and waged, as well as shifted onto the immigrant "shock absorbers of economic globalization."<sup>63</sup>





The low underlying rate of profitability of the 1970s pushed employers to make difficult decisions about how to survive in a global economy, and service sector employment skyrocketed. These two developments were not unrelated. Women were not only





















working, but often for less than minimum wage and while shouldering the care burden at home. Meanwhile, traditional avenues of male employment deteriorated. The US is not yet out of this contradiction. Only, it is not service sector employment in general that's expected to expand in the coming decades, but the already feminized and racialized care sector. Many of these occupations, like home health aides, come with meager wages and are generally hidden away from meaningful regulatory oversight.<sup>64</sup> "Women's work," in other words, is creeping back into domestic sphere, through a combination of growing demand for low wage health workers (the result of an aging population), as well as growing work from home options, enabled by technology. If automation genuinely does produce something like a jobless economy in other sectors, the demand for alienated care labor may not be as acute as some economists predict. But in that case, that care burden will likely fall to family members, and in all likelihood, those family members will be women.

A better UBI is one based on the social dividend, due to its capacity to gradually transfer ownership of the economy to the state, while providing a modest stipend to all citizens. More importantly, though, a social wealth fund cracks open the field of possibility in a way that tax rebate versions of UBI do not, creating a communal war chest of the size and scope needed to transform any late capitalist society, with its massive firms and economies of scale, into a socialist one. Recoiling in horror at Bruenig's specific proposal for establishing a social wealth fund in the US, liberal pundit Kevin Drum estimates that it would take only around three decades before the federal government would have majority control of all publicly traded companies.<sup>65</sup> There are, of course, any number of reasons to prefer a more decentralized system of multiple funds ran by independent boards, or to object to mediating social ownership of the means of production through the equity form at all, but the social dividend offers a far more plausible "capitalist road to communism" than a tax rebate, which is easier to repeal.

To the extent that a UBI strikes at the heart of capitalism's reliance on an ocean of unpaid work, it poses a similar set of provocations as Wages for Housework. Made to pay the costs of reproducing life, capitalism would no longer be viable. But a UBI on the terms envisioned by libertarians should be flatly rejected, as should attempts to reconstruct the welfare state of twentieth century. As far as poverty reduction programs go, UBI may be salvageable. But if socialists wish to pursue a UBI with the power to fundamentally alter social property relations, the social dividend remains the most promising because it can transform the state. The classical political economists, up to and including Marx, understood that capital was first and foremost the *command* over labor. More income to labor, however important it may be in the interim, must be accompanied by a broader vision of wresting control over the command of labor so that workers might one day command their own.

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 Bio



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